Acquisition of knowledge and experience. Exporters may discover new
applications for their service as well as new ways of adapting or selling
it from their experience in Mexico.

Challenges of Exporting to Mexico

- **&** cultural barriers
- time and uncertainty
- **b** documentation complexities
- service adaptation
- exportation costs
- **5** collection delays



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Challenges

- Cultural barriers. Differences in language and ways of doing business
 make it more difficult to communicate with customers, and increases
 the chance of serious misunderstandings.
- Time and uncertainty. It takes time to settle comfortably into any unknown market or cultural environment. There are also risks associated with establishing profile, adapting to changing markets and dealing with unforeseen problems. The project must have priority and constant attention.
- Lack of market knowledge. Market information is much more difficult to obtain in Mexico than in Canada. This exacerbates the usual problems of moving into any new market.
- Documentation complexities. Although the NAFTA has resulted in some streamlining, Mexican formalities are still somewhat more complex than those in Canada.
- Service adaptation. Mexican customers may require adaptation of the service, leading to increased research and development costs.
- Exportation costs. The costs of promoting the service in Spanish and establishing Mexican delivery systems can be considerable. Successful companies treat these costs as investments and adopt a medium-tolong-term strategy.
- Collection delays. Collecting accounts receivable typically takes longer in Mexico than in Canada.